

Norphlet Chemical Report
Week of June 22, 2008

By Evert Talbot

This week at Norphlet began on Tuesday with a visit from Brian Brooks of J-H, Rick Elwood, a J-H board director and 2 bank executives from First Third Bank out of Toledo, Ohio. They toured the Norphlet facility with Vic Forte. Later in the day, they all heard a general outline of where the Norphlet rebuilding project stood at this time. We also reviewed the 134a market as well as the current status of hydrochloric acid marketing.

In summary, I think all of the guests were relatively impressed with the overall condition of the plant site as well as the forecasted steps for final start up.

A brief meeting was held with Vic Forte for discussions on the phase separation testing and the on-going cleaning and purging of the plant. (For HF)

Mark Nagel with TULSTAR called on Wednesday and asked that we meet in the coming week for discussions on how to protect them legally on their stored raw materials at Norphlet. We will try to meet next week if possible. Mark will make a trip to the plant which will give David Henry an opportunity to join in on the meeting.

Yuichi likubo called and wants to begin discussions on Phase 11 of the consulting contract. At this point, we are basically finished with Phase 1 and are now in the so called INTERIM stage. Ronnie returned again to Tennessee to meet with both likubo and Steve Owens to wrap up details of the final PFD and the P&ID. - Did they get one?

Vic and I will be joining Ronnie on Tuesday July 1st for another meeting with the Engineering Consulting firm of Hunt Guillot in Ruston, Louisiana. These two very detailed documents will be presented to them at the meeting. We will also get their opinion of using SYSTEMS as our primary contractor for the build out. It is our intent to ask that they work simultaneously with our contractor of choice from the beginning of this engineering stage and throughout the entire process.

Ronnie, Vic and I will also try to contract SYSTEMS on Wednesday of Thursday of this week IF Hunt Guillot gives them a favorable nod. At the time of this writing, we are not sure if they will be available since they are working on the new steel mill in Mississippi. No contact is to be made with this contractor until Hunt Guillot approves them. The Long family has been contacted as well as Jim Crotty. Both parties have reasonably good feelings toward SYSTEMS.

See Ronnie Jackson & Vic Forte's reports attached.

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